



CLEAN**HORIZON**

---

The Energy Storage Experts



# Update from the Field – July 2018

*A monthly analysis note from the energy storage experts*

## Table of contents

<b>Executive summary</b>	<b>2</b>
<b>Table of figures</b>	<b>4</b>
<b>New regulations and initiatives discussed this month</b>	<b>5</b>
<b>Americas</b>	<b>5</b>
United States	5
Europe	5
<b>Projects updates and announcements</b>	<b>6</b>
<b>Overview of the 2018 market for utility-scale energy storage projects</b>	<b>6</b>
<b>Projects announced or contracted this month</b>	<b>7</b>
Americas	7
Europe	8
<b>Projects commissioned this month</b>	<b>8</b>
Asia	8
Europe	8
<b>Projects tendered</b>	<b>9</b>
<b>Focus of the month: Energy storage for Commercial and Industrial customers is a large market opportunity, but only in specific regions</b>	<b>10</b>
<b>California: the main market for Commercial and Industrial Energy storage</b>	<b>11</b>
California is one of the US states with the highest demand charges	11
The Self-Generation Incentive Program (SGIP) provides additional revenues to already economically profitable projects	13
<b>Ontario: the high “Global Adjustments” encourage large customers to reduce their peak demand</b>	<b>16</b>
Global Adjustments apply to “class A” customers	16
Energy storage can help reducing the electricity bill by reducing the peak consumption when the Ontario system consumes most	17
<b>South Korea: several incentive programs drive the C&amp;I energy storage segment</b>	<b>18</b>
Private facilities can access grid fees reduction through the installation of energy storage	18
Public buildings have an obligation to reduce their peak load	19
<b>United Kingdom – the largest European market for the energy storage C&amp;I segment</b>	<b>20</b>
The business models for storage behind the meter in Great Britain	20
Trends and current market size	22
<b>In the rest of Europe, energy bill reduction can provide interesting additional revenues</b>	<b>24</b>
In France, rebates on grid fees are accessible for large consumers	24
In Germany, the power component of the energy bill is relatively high	26



# Update from the Field – July 2018

*A monthly analysis note from the energy storage experts*

## Table of figures

Figure 1: Utility-scale energy storage projects announced/contracted and commissioned in 2017 and 2018 (ongoing).....	6
Figure 2: Comparison of the revenues accessible by behind the meter energy storage in various regions .....	10
Figure 3. Maximum Demand Charge (USD) in the United States (source: NREL) .....	11
Figure 4. Rate options for Time of Use Business customers in the SCE territory in California .....	13
Figure 5: Repartition of the 2017-2019 SGIP incentive funds.....	14
Figure 6: Total SGIP funding dedicated to Energy Storage in 2009 - 2019 .....	14
Figure 7. Current rebates for energy storage within the SCE and PG&E service areas .....	15
Figure 8: Business case for a 100 kW / 200 kWh energy storage asset providing demand charge management and eligible for SGIP in California .....	16
Figure 9: calculation method of the incentives available to industrial customers in South Korea	19
Figure 10: past and expected future deployments of energy storage in South Korean public buildings .....	19
Figure 11: Transmission fees in Great Britain for half-hourly metered customers .....	21
Figure 12: Schedule of charges for HH metered properties by WPD in the South West .....	21
Figure 13: “Vanilla” options investigated by Frontier Economics for Ofgem regarding the TCR...	23
Figure 14: Accessible rebates on grid fees for large consumers in France .....	25
Figure 15: Grid fees applicable to customers connected to 50 Hertz's network .....	26
Figure 16: Illustration of the possible use of energy storage to reduce the capacity charge of a German industrial consumer .....	27